

Draft - MAP-21 FACT SHEET

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SUBJECT: National Highway Performance Program (NHPP)

PROBLEM STATEMENT:

The consolidation of federal programs under MAP-21 provides more flexibility to allow funding of different types of projects under core programs but the totals for each state remain the same as 2012. This flexibility comes with requirements to direct States towards setting performance standards and meeting national performance targets. Among core programs, the NHPP has most of the performance measures. States that do not meet these targets will be penalized by a reduction in Federal participation or various transfers of funds until targets are met:

- If a State has not developed and implemented an asset management plan consistent with requirements by the beginning of the 2nd fiscal year after the establishment of the process, the Federal share for NHPP projects in that fiscal year is reduced to 65%.
- If, during two consecutive reporting periods, Interstate pavement conditions in a State fall below the minimum set by FHWA, the State must, at a minimum, devote the following resources to improve Interstate pavement conditions during the following fiscal year (and each year thereafter if the condition remains below the minimum):
 - NHPP funds in an amount equal to the State's FY 2009 Interstate Maintenance (IM) apportionment, to increase by 2% per year for each year after FY 2013.
 - Funds transferred from the STP (not from suballocated amounts) to the NHPP in an amount equal to 10% of the amount of the State's FY 2009 IM apportionment.
- If more than 10% of the total deck area of NHS bridges in a State is on structurally deficient bridges for three consecutive years, the State must devote NHPP funds in an amount equal to 50% of the State's FY 2009 Highway Bridge Program apportionment to improve bridge conditions during the following fiscal year (and each year thereafter if the condition remains below the minimum).
- If a State is in noncompliance with bridge and tunnel inspection standards established by the Secretary, a portion of NHPP funds must be used to correct the problem.

The NHPP provides support for the condition and performance of the National Highway System (NHS), for the construction of new facilities on the NHS, and to ensure that investments of Federal-aid funds in highway construction are directed to support progress toward the achievement of performance targets established in a State's asset management plan for the NHS. The NHS is expanded, the new "Enhanced NHS" includes:

- The Interstate System.
- All principal arterials (including those not previously designated as part of the NHS) and border crossings on those routes.
- Intermodal connectors -- highways that provide motor vehicle access between the NHS and major intermodal transportation facilities.
- STRAHNET -- the network of highways important to U.S. strategic defense.
- STRAHNET connectors to major military installations.

One of the consequences of this expansion may be that any new construction on the routes that were designed based on non-NHS standards will now need to meet NHS standards and other contracting requirements.

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RECOMMENDATION:

- 1) Treat the NHPP the same as Interstate Maintenance (IM) and NHS programs under SAFETEA-LU.
- 2) Set aside a portion of NHPP funds for local bridge projects to meet the overall status-quo.
- 3) Start developing plans to be in compliance with the intentions of NHPP and stay involved to influence the final rule.

BACKGROUND:

MAP-21 amended 23USC119, replacing the Interstate Maintenance Program with NHPP.

ALTERNATIVES:

- 1) Continue treating NHPP the same as IM and NHS programs were treated under SAFETEA-LU with the exception of reserving a portion of NHPP funds for local bridge projects to keep status-quo.
- 2) Develop a different process for NHPP based on performance standards.

Because the Asset Management plans and other performance standards will not be developed for some time, alternative 1 is the only realistic option.

PROPOSED IMPLEMENTATION SCHEDULE:

Asset Management: Within 18 months of enactment (January 2014), FHWA is directed to publish a rulemaking establishing the process for States to use in developing a risk-based, performance-based asset management plan for preserving and improving the condition of the NHS. States are encouraged to include all infrastructure assets within the right-of-way corridor. The plan must include at least the following:

- Summary list, including condition, of the State's NHS pavements and bridges
- Asset management objectives and measures
- Performance gap identification
- Lifecycle cost and risk management analysis
- Financial plan
- Investment strategies

Each State's process must be reviewed and recertified at least every 4 years. If certification is denied, the State has 90 days to cure deficiencies. States need to develop and implement an asset management plan consistent with requirements by the beginning of the 2nd fiscal year after the establishment of the process (October 2015).

Minimum pavement and bridge conditions: *Interstate conditions* --FHWA will establish a minimum level of condition for Interstate pavements, which may vary by geographic region. *Bridge conditions* – MAP-21 establishes a minimum standard for NHS bridge conditions.

Performance: Within 18 months of enactment (January 2014), FHWA, in consultation with States, MPOs, and other stakeholders, is directed to publish a rulemaking establishing:

- Minimum standards for States to use in developing and operating bridge and pavement management systems.
- Performance measures for Interstate and NHS pavement condition, NHS bridge condition, and Interstate and NHS performance.
- Minimum conditions for Interstate pavements – may vary geographically.
- Data elements necessary to collect and maintain standardized data to carry out a performance-based approach.

States are required to establish targets for these measures within 1 year of the final rule on national performance measures (January 2015). States will report to DOT on progress in achieving targets within 4 years of enactment (July 2016) and then every 2 years [§1203; 23 USC 150(e)] and MPOs will report to DOT on progress in their Metropolitan Transportation Plan (4 or 5 year frequency).